

Assembly Bill No. 894

CHAPTER 485

An act to amend Sections 9005 and 9087 of the Elections Code, relating to elections.

[Approved by Governor October 11, 2009. Filed with
Secretary of State October 11, 2009.]

LEGISLATIVE COUNSEL'S DIGEST

AB 894, Furutani. Ballot measures: fiscal impact statements.

Existing law requires that a draft of an initiative measure be submitted to the Attorney General prior to circulation of the initiative for signatures so that it may appear on the ballot. Existing law requires the Attorney General to prepare the title and summary for the proposed measure. Existing law requires that, if the Attorney General determines that the proposed measure would affect the revenues or expenditures of the state or local government, he or she shall include in the title of the proposed measure either the estimated increase or decrease in revenues or costs to the state or local government, or an opinion as to whether the measure would result in a substantial net change in state or local finances. Existing law requires the title and summary of the Attorney General to be placed on the heading of a petition for the measure and on each page of the petition.

This bill would require the fiscal impact statement included in the title and summary of the Attorney General to be in boldface type.

Existing law requires that a ballot pamphlet containing information regarding each statewide measure to appear on a statewide election ballot be prepared by the Secretary of State. Existing law further requires the Legislative Analyst to prepare for the ballot pamphlet an analysis of each statewide measure, including a fiscal analysis of each measure showing the amount of any increase or decrease in revenue or cost to state or local government. Existing law requires that any estimate of increased cost to local governments be set out in boldface print in the ballot pamphlet.

This bill would also require, for a statewide measure that would result in increased cost to the state, that the Legislative Analyst provide an analysis of the measure's estimated impact on the state, including an estimate of the percentage of the General Fund that would be expended due to the measure. The measure would also require the Legislative Analyst, to the extent practicable, to utilize a uniform method in each analysis to describe the estimated increase or decrease in revenue or cost of a measure.

Existing law requires a condensed statement of the ballot title prepared by the Attorney General and the fiscal impact summary of the Legislative Analyst, as applicable, for each statewide measure appearing on the ballot, followed by the words "Yes" and "No."

This measure would require that the uniform estimate of increase or decrease in revenue or cost of the measure prepared by the Legislative Analyst be included in the condensed fiscal impact summary.

This bill would incorporate changes made by AB 753 that would become operative only if both bills are enacted and this bill is enacted after AB 753.

The people of the State of California do enact as follows:

SECTION 1. Section 9005 of the Elections Code is amended to read:

9005. (a) Notwithstanding Section 9004, the Attorney General, in preparing a title or summary for an initiative measure, shall determine whether the substance thereof if adopted would affect the revenues or expenditures of the state or local government, and if he or she determines that it would, he or she shall, in boldface print, include in the title either the estimate of the amount of any increase or decrease in revenues or costs to the state or local government, or an opinion as to whether or not a substantial net change in state or local finances would result if the proposed initiative is adopted.

(b) The estimates as required by this section shall be made jointly by the Department of Finance and the Joint Legislative Budget Committee, who shall deliver them to the Attorney General so that he or she may include them in the titles prepared by him or her.

(c) The estimate shall be delivered to the Attorney General within 25 working days from the date of receipt of the final version of the proposed initiative from the Attorney General, unless, in the opinion of both the Department of Finance and the Joint Legislative Budget Committee, a reasonable estimate of the net impact of the proposed initiative cannot be prepared within the 25-day period. In the latter case, the Department of Finance and the Joint Legislative Budget Committee shall, within the 25-day period, give the Attorney General their opinion as to whether or not a substantial net change in state or local finances would result if the proposed initiative is adopted.

(d) A statement of fiscal impact prepared by the Legislative Analyst pursuant to subdivision (b) of Section 12172 of the Government Code may be used by the Department of Finance and the Joint Legislative Budget Committee in the preparation of the fiscal estimate or the opinion.

SEC. 1.5. Section 9005 of the Elections Code is amended to read:

9005. (a) The Attorney General, in preparing a circulating title and summary for a proposed initiative measure, shall, in boldface print, include in the circulating title and summary either the estimate of the amount of any increase or decrease in revenues or costs to the state or local government, or an opinion as to whether or not a substantial net change in state or local finances would result if the proposed initiative is adopted.

(b) The estimate as required by this section shall be made jointly by the Department of Finance and the Joint Legislative Budget Committee, who shall deliver the estimate to the Attorney General so that he or she may

include the estimate in the circulating title and summary prepared by him or her.

(c) The estimate shall be delivered to the Attorney General within 25 working days from the date of receipt of the final version of the proposed initiative measure from the Attorney General, unless, in the opinion of both the Department of Finance and the Joint Legislative Budget Committee, a reasonable estimate of the net impact of the proposed initiative measure cannot be prepared within the 25-day period. In the latter case, the Department of Finance and the Joint Legislative Budget Committee shall, within the 25-day period, give the Attorney General their opinion as to whether or not a substantial net change in state or local finances would result if the proposed initiative measure is adopted.

(d) A statement of fiscal impact prepared by the Legislative Analyst pursuant to subdivision (b) of Section 12172 of the Government Code may be used by the Department of Finance and the Joint Legislative Budget Committee in the preparation of the fiscal estimate or the opinion.

SEC. 2. Section 9087 of the Elections Code is amended to read:

9087. (a) The Legislative Analyst shall prepare an impartial analysis of the measure describing the measure and including a fiscal analysis of the measure showing the amount of any increase or decrease in revenue or cost to state or local government. If it is estimated that a measure would result in increased cost to the state, an analysis of the measure's estimated impact on the state shall be provided, including an estimate of the percentage of the General Fund that would be expended due to the measure, using visual aids when appropriate. An estimate of increased cost to the state or local governments shall be set out in boldface print in the ballot pamphlet.

(b) The analysis shall be written in clear and concise terms, so as to be easily understood by the average voter, and shall avoid the use of technical terms wherever possible. The analysis may contain background information, including the effect of the measure on existing law and the effect of enacted legislation which will become effective if the measure is adopted, and shall generally set forth in an impartial manner the information the average voter needs to adequately understand the measure. To the extent practicable, the Legislative Analyst shall utilize a uniform method in each analysis to describe the estimated increase or decrease in revenue or cost of a measure, so that the average voter may draw comparisons among the fiscal impacts of measures. The condensed statement of the fiscal impact summary for the measure prepared by the Attorney General to appear on the ballot shall contain the uniform estimate of increase or decrease in revenue or cost of the measure prepared pursuant to this subdivision.

(c) The Legislative Analyst may contract with a professional writer, educational specialist, or another person for assistance in writing an analysis that fulfills the requirements of this section, including the requirement that the analysis be written so that it will be easily understood by the average voter. The Legislative Analyst may also request the assistance of a state department, agency, or official in preparing his or her analysis.

(d) Prior to submitting the analysis to the Secretary of State, the Legislative Analyst shall submit the analysis to a committee of five persons, appointed by the Legislative Analyst, for the purpose of reviewing the analysis to confirm its clarity and easy comprehension to the average voter. The committee shall be drawn from the public at large, and one member shall be a specialist in education, one member shall be bilingual, and one member shall be a professional writer. Members of the committee shall be reimbursed for reasonable and necessary expenses incurred in performing their duties. Within five days of the submission of the analysis to the committee, the committee shall make recommendations to the Legislative Analyst as it deems appropriate to guarantee that the analysis can be easily understood by the average voter. The Legislative Analyst shall consider the committee's recommendations, and he or she shall incorporate in the analysis those changes recommended by the committee that he or she deems to be appropriate. The Legislative Analyst is solely responsible for determining the content of the analysis required by this section.

(e) The title of the measure that appears on the ballot shall be amended to contain a summary of the Legislative Analyst's estimate of the net state and local government fiscal impact.

SEC. 3. Section 1.5 of this bill incorporates amendments to Section 9005 of the Elections Code proposed by both this bill and AB 753. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2010, (2) each bill amends Section 9005 of the Elections Code, and (3) this bill is enacted after AB 753, in which case Section 1 of this bill shall not become operative.